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DE RUEHDS #2846/01 2891417  
ZNR UUUUU ZZH  
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FM AMEMBASSY ADDIS ABABA  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 2384  
INFO RUCNIAD/IGAD COLLECTIVE IMMEDIATE  
RUEWMFD/HQ USAFRICOM STUTTGART GE IMMEDIATE  
RUEAIIA/CIA WASHINGTON DC IMMEDIATE  
RUEPADJ/CJTF HOA IMMEDIATE  
RUEKDIA/DIA WASHINGTON DC IMMEDIATE  
RUEKJCS/JOINT STAFF WASHINGTON DC IMMEDIATE  
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RUEKJCS/SECDEF WASHINGTON DC IMMEDIATE

UNCLAS SECTION 01 OF 03 ADDIS ABABA 002846

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E.O. 12958: N/A  
TAGS: [KDEM](#) [PGOV](#) [EAID](#) [PHUM](#) [ET](#)  
SUBJECT: ETHIOPIA'S CSO/NGO LAW READY FOR PARLIAMENT  
APPROVAL

REF: ADDIS 2482

SUMMARY  
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¶1. (SBU) Ethiopian Prime Minister Meles Zenawi told Ambassadors from the U.K., France and U.S. during the fourth in a series of meetings that the proposed Charities and Societies Proclamation (CSO law) will be sent, after further minor modifications, to the Council of Ministers this Friday, October 17, and then to the Parliament for deliberation and final approval. The Prime Minister was clear that the proposed law will not be withdrawn. While the Ambassadors expressed their fundamental opposition to the bill, they advocated for a discrete set of technical alterations that would make the bill less prohibitive to civil society operations in Ethiopia. The Prime Minister expressed deep frustration with the recent Human Rights Watch (HRW) report criticizing the proposed law and the concerted efforts by NGOs in Washington and European capitals to apply international pressure on Ethiopia to suspend legislation on the law. He reiterated that over 90 percent of NGOs will not be affected, only those NGOs/CSOs involved in domestic political activities -- which the Prime Minister noted should be free from outside interference or unfair influence through the use of foreign money to sway political views. The Ambassadors are considering what next steps to take with the anticipated passage of the law from serving as watchdogs to continued efforts to modify the implementation of the legislation. End Summary.

THERE WILL BE A CSO/NGO LAW  
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¶2. (SBU) Prime Minister Meles told the group of three Ambassadors from the U.K., France, and the U.S., representatives of the entire diplomatic corps, on October 14 that the proposed CSO law will be discussed by the Council of Ministers this Friday and then forwarded to the Parliament for approval. The Prime Minister expressed frustration at the vocal opposition to the law by the NGO/CSO communities which has distracted discussions on more pressing issues of concern in the areas of development, economic prosperity, regional security and the 2010 electoral process. Meles called the focus by the international community as a problem of "perspective" which has fostered misinformation and misinterpretation about what the proposed law is or is not.

¶3. (SBU) The Prime Minister reiterated that domestic political space must be defined, and carefully guarded, by uniquely and distinctly Ethiopian NGOs/CSOs. Just as in the U.K., France and the U.S., where citizens determine the

political issues for debate and develop goals and objectives which meet the countries, respective strategic interests, Ethiopia must also protect its political space. Ethiopian groups seeking foreign aid to develop their plans based on the definitions laid out by foreign NGOs or donors may not meet the interests of Ethiopia but of the foreign entity. Even in cases where interests match, Ethiopia's political development must be fostered by Ethiopian NGOs/CSOs, Meles argued.

¶4. (SBU) Meles noted that the government is drafting a fourth version of the bill to be considered by the Council of Ministers on October 17, which will take into consideration the Ambassadors' suggestions. In response to specific suggestions for alterations, Meles was adamant that the 10 percent funding threshold for definition of an organization as "foreign" would not be altered. The Prime Minister did agree to again review the powers of the proposed Civil Society Agency, noting that the aim was not to dictate how CSOs run themselves as much as to ensure that basic principles are observed. Meles similarly agreed to review again the penalties that the bill imposes, particularly for administrative mistakes. He argued that the aim was to ensure that penalties are proportionate to the severity of offenses, but not to criminalize minor mistakes. Meles did not agree to remove minimum penalties as proposed by the Ambassadors. Finally, Meles agreed to consider being more flexible on the right to appeal, but only for "Ethiopian" CSOs, but not for "Foreign" CSOs.

#### HOW FOREIGN NGOS CAN PLAY A ROLE IN POLITICS

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¶5. (SBU) Meles said that maintaining a 10 percent limit on foreign funding to domestic NGOs/CSOs involved in political advocacy should be sufficient to meet their basic expenses and travel without fundamentally altering their agendas. Further, the Ethiopian government can enter into contracts and agreements with foreign nations, foundations, NGOs and groups on political advocacy issues if the program is limited in duration, clearly focused and helps in areas where Ethiopia needs assistance, primarily in capacity and institution building.

¶6. (SBU) Meles suggested that foreign assistance should be "demand driven" or address the needs of the developing country and not "supply driven" implementing programs which are the specialty or interest of the NGO or foreign donor. For example, much of the family planning programs by foreign NGOs are focused in urban areas. These should really be focused more in rural areas where there is a larger population. This is a case in which the Ethiopian government can help define the needs and the scope of programs.

#### PERCEPTION GAP OR DEEPER PROBLEMS?

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¶7. (SBU) The Prime Minister called the efforts by NGOs in Washington and European capitals as misinformation and misinterpretation of the true intent of the Ethiopian government. The core issue for Ethiopia is the process of democratization developed and implemented in a uniquely Ethiopian approach which would help instill "ownership" and "commitment" by the Ethiopian people. These efforts will make Ethiopian CSOs more vibrant and an Ethiopian driven process.

¶8. (SBU) The Prime Minister bemoaned that he regrets any potential loss of support from the U.S. and Europe which could transcend beyond the mere debate over the CSO law to other areas. This not what Ethiopia wants. He added that, in the defense of Ethiopia's "identity" and efforts to develop "Ethiopian approaches," he hoped that the international community would understand but Ethiopia would

stick to its present course and push the CSO law forward as well as continue to advocate for other laws and practices if they meet Ethiopia's national interests. He committed to continue discussing this law with foreign interlocutors because it was important to get Ethiopia's position better understood.

COMMENT

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19. (SBU) Despite the Prime Minister's claims, the CSO law has hit a raw nerve among donors because it reflects far more than a difference of perception. Since the May 2005 elections, the Ethiopian government has systematically blocked the ability of voices from outside the ruling party and government from "detracting" from the ruling party's "revolutionary democracy" vision. While the Ethiopian Government has legitimate concerns over the operations of some organizations, and NGOs certainly would benefit from a clearer regulatory regime from which to guide their operations, donors and civil society alike view the current law as an effort to stifle the development of civil society organizations and the watchdog role of civil society over government. While government interlocutors continue to assure donor partners that their interpretation of how the law might be implemented is draconian, the government's track record in stifling dissent and alternate voices over the past three years renders such concerns valid. Even if the government initially implements the law liberally, the current draft will establish the legal grounds for a very strict implementation in the future which most Ethiopia watchers in Addis Ababa expect will have a chilling effect on civil society operations. The Ambassadors will continue to press the Council of Ministers and Parliament, directly and through visitors from capitals, to modify the bill as it progresses toward ratification. Ultimately, however, it will become law. We strongly encourage Washington to consider how the USG will react to its passage and continue to recommend the language proposed in reftel as a public statement or for use in responding to press inquiries upon its passage. End

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Comment.  
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